

4 September 2018

KEFI Minerals plc

(“KEFI” or the “Company”)

Key Government Consents Received For Tulu Kapi Project Development and Finance

KEFI Minerals plc (AIM: KEFI), the gold exploration and development company with projects in the Federal Democratic Republic of Ethiopia and the Kingdom of Saudi Arabia, is pleased to report that it has now received the key development and financing policy approvals for the Company’s Tulu Kapi Gold Project (the “Project”) from the Ethiopian Government.

Having received Project approval in 2015 (development, social, environmental and operational), KEFI’s Project company Tulu Kapi Gold Mines Share Company Limited (“TKGM”) has now received Ethiopian central bank approval for the Project banking arrangements, complementing its approvals of proposed balance sheet capital ratios and TKGM’s right to hedge the gold price.

Whilst the remaining required Government consents are important, they are all, in essence, implementation of administrative matters, which include the registration of actual audited historical investment, registration of the updated Project development plan for its latest refinements, approval of the finance-lease structure, finalised Project insurance policies and the various ancillary local permits that can only be granted upon TKGM taking possession of the Project land from all resettled households.

Managing Director, Mr Harry Anagnostaras-Adams said “The Government has certainly accelerated the pace in recent times as regards the various regulatory processes for this, the first modern mine development in Ethiopia. All major policy matters are now resolved for the Project. There is every sign that the just-appointed Government leadership at the Federal, Oromia Regional and local levels is focused on making this happen very successfully and smoothly. KEFI and its partners in Project Company TKGM are very appreciative of the priority given to the Project at the same time when so many transformational changes are being made in Ethiopia generally. It is an exciting time to be establishing a new sector in Ethiopia.”

Market Abuse Regulation (MAR) Disclosure

Certain information contained in this announcement would have been deemed inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 until the release of this announcement.

Enquiries

KEFI Minerals plc

Harry Anagnostaras-Adams (Managing Director) +357 99457843

John Leach (Finance Director) +357 99208130

SP Angel Corporate Finance LLP (Nominated Adviser) +44 20 3470 0470

Ewan Leggat, Jeff Keating, Soltan Tagiev

Brandon Hill Capital Ltd (Broker)

+44 20 7936 5200

Oliver Stansfield, Jonathan Evans

IFC Advisory Ltd (Financial PR and IR)

+44 20 3934 6630

Tim Metcalfe, Heather Armstrong

Notes to Editor

KEFI Minerals plc

KEFI is focused primarily on the advanced Tulu Kapi Gold Project development project in Ethiopia, along with its pipeline of other projects within the highly prospective Arabian-Nubian Shield. KEFI targets that production at Tulu Kapi generates cash flows for capital repayments, further exploration and expansion as warranted and, when appropriate, dividends to shareholders.

KEFI Minerals in Ethiopia

Ethiopia is currently undergoing a remarkable transformation both politically and economically.

The Tulu Kapi gold project in western Ethiopia is being progressed towards development, following a grant of a Mining Licence in April 2015.

The Company has now refined contractual terms for project construction and operation. Estimates include open pit gold production of c. 140,000oz pa for a 7-year period. All-in Sustaining Costs (including operating, sustaining capital and closure but not including leasing and other financing charges) remain c. US\$800/oz. Tulu Kapi's Ore Reserve estimate totals 15.4Mt at 2.1g/t gold, containing 1.1Moz.

All aspects of the Tulu Kapi (open pit) gold project have been reported in compliance with the JORC Code (2012) and subjected to reviews by appropriate independent experts.

A Preliminary Economic Assessment has been published that indicates the economic attractiveness of mining the underground deposit adjacent to the Tulu Kapi open pit, after the start-up of the open pit and after positive cash flows have begun to repay project debts. An area of over 1,000 square kilometres adjacent to Tulu Kapi has been reserved for exploration by KEFI upon commencement of development, with a view to adding satellite deposits to development and production plans.

KEFI Minerals in the Kingdom of Saudi Arabia

In 2009, KEFI formed G&M in Saudi Arabia with local Saudi partner, Abdul Rahman Saad Al Rashid & Sons Company Limited ("ARTAR"), to explore for gold and associated metals in the Arabian-Nubian Shield. KEFI has a 40% interest in G&M and is the operating partner.

ARTAR, on behalf of G&M, holds over 20 EL applications. ELs are renewable for up to three years and bestow the exclusive right to explore and to obtain a 30-year exploitation (mining) lease within the area.

The Kingdom of Saudi Arabia has announced policies to encourage minerals exploration and development, and KEFI Minerals supports this priority by serving as the technical partner within G&M. ARTAR also serves this government policy as the major partner in G&M, which is one of the early movers in the modern resurgence of the Kingdom's minerals sector.